



STATE OF INDIANA
OFFICE OF THE GOVERNOR
State House, Second Floor
Indianapolis, Indiana 46204

Mitchell E. Daniels, Jr.
Governor

June 13, 2008
The Honorable Edward T. Schafer
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Dear Secretary Schafer:

Thank you for visiting with me by phone this morning regarding the severe flooding in Indiana. As we discussed, this event has affected a large number of Indiana farmers, many of whom have lost crops, livestock, and other assets. We are working quickly to provide aid to them so they can begin the rebuilding process.

I appreciate your willingness to expedite USDA assistance. Your local staff in the Farm Service Agency (FSA) and Natural Resource Conservation Service (NRCS) has been very helpful to our efforts thus far. Also, the quick action of FSA in extending deadlines for crop certification is much appreciated and will give farmers some breathing room as they assess their go-forward options.

I would now like to ask your immediate help in a handful of other areas:

USDA Disaster Declaration Ruling

You received a letter from me earlier this week asking that 44 Indiana counties be declared agricultural disasters. I understand that for you to rule on this request you must await detailed assessments from the local FSA offices. However, I would ask your immediate approval for those counties which we know today will qualify. This would include at a minimum the 8 counties that President Bush has declared major disasters for individual assistance and ideally the 29 that he has declared for emergency relief. Quick action in these counties will allow for emergency producer loans and also send a strong signal to our farmers that we are moving quickly to help them. To be clear, I am not suggesting that we forgo the typical, detailed assessments that FSA completes. We need that data to more thoroughly quantify the extent of agricultural damage. However, I do ask that we recognize that a quick, macro assessment can be made in many of our counties to show that they meet the minimum threshold for USDA aid.

Emergency Conservation Programs

Indiana's farmers are faced with a wide array of rebuilding tasks, many of which, like filing claims for crop insurance, they have dealt with before. However, the flooding has had severe impacts on the land itself, and most farmers are less familiar with programs designed to compensate for that damage. We have thousands of acres now in Indiana with significant sediment build-up, complete topsoil erosion, amazing amounts of debris,

The Honorable Edward T. Schafer
Page 2
June 13, 2008

and sizable wash-outs. These issues alone will keep many farmers out of their fields thus preventing replanting, haying or any other activity.

As such, I would ask your help in quickly activating and funding three conservation programs to the maximum extent possible. They are the Emergency Conservation Program (ECP), Emergency Watershed Program (EWP) and an amendment to our current Conservation Reserve Enhancement Program (CREP). To do this, I would ask that you dedicate the resources necessary in Washington to work with the local FSA and NRCS officials as well as the Indiana State Department of Agriculture (ISDA) to develop a plan and funding request by next week. I would then ask for your quick and favorable action on that plan.

Livestock Farmers

There is no doubt that farmers of all types have been affected by this crisis, but none will be more severely affected than our livestock farmers. For many, they have now been hit several times. The downturn in livestock commodity prices, increased input costs, and now the inability to produce corn for their own use could push many to the brink of bankruptcy.

I realize that this is a national problem with no easy solution. However, I would ask that USDA make full use of its authority and programs to find a meaningful way to help those livestock farmers in most need. This could include providing emergency EQIP funds or emergency loans to secure inputs.

Mr. Secretary, I know you understand the potential impact of an event like this. I also know you understand the need for quick, decisive action. I sincerely appreciate all that USDA has done already and I ask that you would quickly consider the additional requests noted above.

Sincerely,

Mike Daniel, Jr.